

**Supplemental Reporting Document  
Table of Contents  
September 2010 Investment Committee Meeting  
(July 2010 Reporting Period)**

**Activity Reports**

- Alternative Investment Management (AIM) Program
- Real Estate Program
- Risk Managed Absolute Return Strategies (RMARS) Program
- Corporate Governance Program
- Inflation Linked Asset Class Program
- Disclosure of Placement Agent Fees



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September 13, 2010

**SUPPLEMENTAL ITEM**

**TO: MEMBERS OF THE INVESTMENT COMMITTEE**

**I. SUBJECT:** Activity Reports

**II. PROGRAMS:** Alternative Investment Management (AIM)  
Real Estate (RE)  
Risk Managed Absolute Return Strategies (RMARS)  
Corporate Governance  
Inflation Linked Asset Class Program (ILAC)  
Disclosure of Placement Agent Fees

**III. RECOMMENDATION:** Information only

**IV. ANALYSIS:**

Staff from AIM, RE, RMARS, Corporate Governance, and ILAC are required to report the status of investment proposals received by their respective program on a monthly basis. Staff from these areas have prepared activity reports for the month of July 2010. Also included is the Disclosure of Placement Agent Fees report for July 2010.

**V. STRATEGIC PLAN:**

Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

Members of the Investment Committee  
September 13, 2010  
Page 2

**VI. RESULTS:**

Attached are results containing the status of investment proposals received by AIM, RE, RMARS, Corporate Governance, and ILAC.

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MATTHEW FLYNN  
Division Chief  
Operations, Performance & Technology

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JANINE GUILLOT  
Chief Operating Investment Officer

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JOSEPH A. DEAR  
Chief Investment Officer



**\*\*\* OPEN SESSION MATERIAL \*\*\***  
AIM PROGRAM  
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS  
REPORT DATE 7/1/2010 TO 7/31/2010

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2007	2008	2009	2010 YTD	Since Program Inception
<b><u>INVESTMENT ACTIVITY</u></b>						
Investment Proposals Entered	121	442	349	295	220	8112
Declined/Referred/Failed to Materialize	110	387	339	245	217	6593
Deals in Screening	184	442	349	295	220	5118
Due Diligence Reviews	8	76	31	12	9	816

**Notes:**

- Current YTD information is through the end of the report period.
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.



\*\*\*\*\* OPEN SESSION MATERIAL \*\*\*\*\*  
GLOBAL REAL ESTATE UNIT PROGRAM  
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS  
REPORT PERIOD 7/1/2010 TO 7/31/2010

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2006	2007	2008	2009	2010 YTD	Since Program Inception *
<b><u>INVESTMENT ACTIVITY</u></b>							
Investment Proposals Entered	36	N/A	N/A	138	23	87	248
Declined/Referred/Failed to Materialize	33	N/A	N/A	120	29	86	235
Deals in Screening	8	N/A	N/A	24	33	17	74
Due Diligence Reviews	0	N/A	N/A	3	0	0	3

Notes:

- Current YTD information is thorough the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening of Due diligence during that time period.

\* As of January 2, 2008



\*\*\*\*\* OPEN SESSION MATERIAL \*\*\*\*\*  
RISK MANAGED ABSOLUTE RETURNS (RMARS) PROGRAM  
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS  
REPORT PERIOD 7/1/2010 TO 7/31/2010

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 YTD	Since Program Inception
<b><u>INVESTMENT ACTIVITY</u></b>												
Investment Proposals Entered	0	88	170	181	59	59	69	90	118	66	0	900
Declined/Referred/Failed to Materialize	0	34	81	108	12	7	1	0	0	0	0	243
Deals in Screening	0	48	80	72	45	58	68	90	118	66	0	645
Due Diligence Reviews	0	48	80	72	45	58	68	90	118	66	0	645
Allocations Approved by RMARS Board	2	0	25	8	6	18	52	66	31	0	10	216
New ARS Funds approved by the RMARS Board	0	0	12	1	4	7	9	8	3	0	0	44
<b><u>MANAGER AMOUNTS (\$ IN MILLIONS)</u></b>												
Funded	\$105	\$0	\$485	\$95	\$149	\$783	\$1,809	\$2,499	\$1,069	\$0	\$410	\$7,299

Notes:

- Current YTD information is through the end of the report period
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\*\*\*\*\* OPEN SESSION MATERIAL \*\*\*\*\*  
CORPORATE GOVERNANCE PROGRAM  
SUMMARY MONTHLY REPORT: PROPOSAL IN PROCESS  
REPORT PERIOD 06/01/2010 TO 06/30/2010

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2006	2007	2008	2009	2010 YTD	Since Program Inception *
<b><u>INVESTMENT ACTIVITY</u></b>							
Investment Proposals Entered	0	N/A	N/A	7	1	0	8
Declined/Referred/Failed to Materialize	0	N/A	N/A	6	13	5	24
Deals in Screening	N/A	N/A	N/A	N/A	N/A	0	0
Due Diligence Reviews	1	N/A	N/A	21	9	6	36

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening of Due diligence during that time period.

\* as of April 1, 2008



\*\*\*\*\* OPEN SESSION MATERIAL \*\*\*\*\*  
ILAC PROGRAM  
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS  
REPORT PERIOD 7/1/2010 TO 7/31/2010

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2007	2008	2009	2010 YTD	Since Program Inception
<b><u>INVESTMENT ACTIVITY - INFRASTRUCTURE</u></b>						
Investment Proposals Entered	20	12	57	52	63	184
Declined/Referred/Failed to Materialize	0	N/A	11	58	52	121
Deals in Screening	61	12	57	52	63	184
Due Diligence Reviews	1	N/A	0	4	2	6
<b><u>INVESTMENT ACTIVITY - FORESTLAND</u></b>						
Investment Proposals Entered	0	N/A	9	5	2	16
Declined/Referred/Failed to Materialize	0	N/A	7	6	1	14
Deals in Screening	0	N/A	9	5	2	16
Due Diligence Reviews	0	N/A	1	0	0	1

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due diligence during that time period.
- New Infrastructure proposals are automatically entered into the "Deals in Screening" category.





\*\*\*\*\* OPEN SESSION MATERIAL \*\*\*\*\*  
**DISCLOSURE OF PLACEMENT AGENT FEES REPORT FOR  
 PERIOD ENDING: July 31, 2010**

ASSET CLASS	FIRM NAME	FUND	PLACEMENT AGENT FIRM	ESTIMATED PLACEMENT AGENT COMPENSATION	TRANSACTION TYPE
AIM	HL Equity Partners	HL Equity Partners Fund IV	Lazard Freres & Co., LLC	-	Proposed New Inv. 1/2
AIM	Energy Capital Partners II, LP	Energy Capital Partners II, LP	Park Hill, LLC	-	Proposed New Inv. 1/
Global Equity	KLS Diversified Asset Management LP	KLS Diversified Fund, Ltd	APB Financial Group LLC	-	Closed/Funded 2/3
Global Equity	Gartmore Distribution Services	AlphaGen Volantis Fund Limited	Gartmore Distribution Services, Inc.	11,475	Closed/Funded 2/4
Global Equity	Ermitage Asset Management Jersey Limited	Ermitage Global Dynamic Trading Fund	Ermitage Asset Management Jersey	49,576	Closed/Funded 2/5

*Notes:*

*1/ Placement agent compensation allocated to CalPERS is based on commitment amount. If the commitment is made, an update will be provided in a future report.*

*2/ Disclosure submitted by Fund of Funds Manager.*

*3/ Update per the April 19, 2010, Disclosure of Placement Agent Fees Report; no fees paid as of funding May 1, 2010.*

*4/ Update per the August 16, 2010, Disclosure of Placement Agent Fees Report; fees paid for the period August 2009 to December 2009.*

*5/ Update per the August 16, 2010, Disclosure of Placement Agent Fees Report; fees paid for the period July 2009 to December 2009.*